

SENATE BILL 444

Unofficial Copy
C4

2003 Regular Session
3r1949
CF 3r1167

By: **Senators Exum, Della, and Kelley**
Introduced and read first time: January 31, 2003
Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Motor Vehicle Insurance - Use of Credit History - Surcharge Repeal**

3 FOR the purpose of repealing the limit of the actuarially justified surcharge on the
4 rate applied to new policies of private passenger motor vehicle insurance for
5 certain applicants; repealing a certain termination provision relating to certain
6 private passenger motor vehicle insurance; and generally relating to the repeal
7 of the use of credit history to apply a surcharge to certain motor vehicle
8 insurance policies.

9 BY repealing and reenacting, with amendments,
10 Article - Insurance
11 Section 27-501(e-2)(5)
12 Annotated Code of Maryland
13 (2002 Replacement Volume and 2002 Supplement)

14 BY repealing
15 Chapter 580 of the Acts of the General Assembly of 2002
16 Section 5

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
18 MARYLAND, That the Laws of Maryland read as follows:

19 **Article - Insurance**

20 27-501.

21 (e-2) (5) With respect to private passenger motor vehicle insurance, an insurer
22 that rates a new policy based, in whole or in part, on the credit history of the
23 applicant may, if actuarially justified, provide a discount of up to 40% [or impose a
24 surcharge of up to 40%].

25 **Chapter 580 of the Acts of 2002**

26 [SECTION 5. AND BE IT FURTHER ENACTED, That Section 2 of this Act
27 shall take effect October 1, 2002. Section 2 of this Act shall remain effective for a

1 period of 2 years and, at the end of September 30, 2004, with no further action
2 required by the General Assembly, Section 2 of this Act shall be abrogated and of no
3 further force and effect.]

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
5 effect October 1, 2003.